

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

Business Meeting Minutes

of

January 8, 2003

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The meeting was called to order by Acting Chairman Robert Pernell at 10:07 a.m.

The Pledge of Allegiance was given by Commissioner Rosenfeld.

William J. Keese	Absent
Robert Pernell	Present
Arthur Rosenfeld	Present
James D. Boyd	Present
John L. Geesman	Present
Margaret Kim, Ex-Officio	Present

Prior to the start of the Business Meeting, Acting Chairman Pernell swore in the newly re-appointed Commissioner John Geesman to the Energy Commission. Commissioner Geesman has filled out the term left vacant by Commissioner Robert Laurie, who resigned last year. Commissioner Geesman was appointed to his own Commission at the end of December 2002. Commissioner Geesman's term will expire January 6, 2008.

Acting Chairman Pernell introduced Commissioner Rosenfeld to provide a presentation to John Wilson for 25-years of service to the State. Commissioner Rosenfeld chronicled John's 25-years here at the Commission with photos of when he started up until now, courtesy of John's wife Marilyn. Mr. Wilson summed it all up when he stated, "When Art (Rosenfeld) said I was getting a gold watch I thought, oh, good, retirement! And then Art (Rosenfeld) said, oh, no, you can't retire until I do. And then I thought, oh, no this is 25 more years."

1. CONSENT CALENDAR. (Items on the Consent Calendar will be taken up and voted on as a group. A Commissioner may request that an item be discussed and moved to later on the agenda)
 - a. COMMISSION CO-SPONSORSHIPS. Possible approval of two co-sponsorship requests for which the Energy Commission might provide financial support, the participation of key speakers, provide guidance in the selection of speakers, permit the use of its name, plus staff time for a speaker and include promotional materials with regularly scheduled mailings.
 - Ethanol in California, Opportunities for Increased Utilization and Production, February 5-6, 2003, Hyatt Regency Hotel, Sacramento, California.
 - 11th National Conference on Building Commissioning, May 19-20, 2003, Palm Springs, California.
 - b. 2000 INTERNATIONAL ENERGY CONSERVATION CODE. Commission consideration and possible approval of staff's findings that the latest version of California's Title 24 Part 6 which became effective on June 1, 2001, is more efficient than the 2000 International Energy Conservation Code (IECC).

- c. SCRIPPS INSTITUTION OF OCEANOGRAPHY, UNIVERSITY OF CALIFORNIA AT SAN DIEGO. Possible approval of a Work Authorization WA-004 to perform preliminary work on climate monitoring, analyses, and modeling for California. The total cost for this project no not to exceed \$1,300,000.
- d. ELK HILLS POWER PROJECT (99-AFC-1C): Possible approval of a petition to amend traffic/transportation condition of certification TRANS-7 to use the existing 135 ft. long temporary construction equipment access road as the permanent primary access road to the power plant.

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of the Consent Calendar. The vote was unanimous. (4-0)

- 2. HAIDER TAHA CONSULTANT. Possible approval of Contract 500-02-013 for \$140,798 to develop meteorological and air quality models, develop model inputs, estimate reductions in energy consumption from the heat island reduction strategies and assess the effectiveness of heat island reduction in improving air quality in two to three California air basins.

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 500-02-013. The vote was unanimous. (4-0)

- 3. PETROLEUM TECHNOLOGY TRANSFER COUNCIL. Possible approval of Contract 500-03-001 for \$300,000 to analyze well geology and demonstrate suitable technological solutions that can reduce electric power consumption in California oilfields by reducing the excess water production.

Commissioner Rosenfeld moved and Commissioner Boyd seconded approval of Contract 500-02-013. The vote was unanimous. (4-0)

- 4. ELECTRICITY INNOVATION INSTITUTE (E21). Possible approval of Contract 500-02-014 for \$2,100,000 to conduct collaborative research, development and demonstration projects.

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 500-02-014. The vote was unanimous. (4-0)

- 5. FUEL EFFICIENCY TIRE PROGRAM. Possible adoption by the Commission of the recommendations requested by SB 1170 for the Governor and Legislature for a California State Fuel-Efficiency Tire Program. Recommendation will include a consultant report and appendix.

This item was moved to the January 22, 2003 Business Meeting.

- 6. EMERGENCY RULEMAKING ON APPLIANCE EFFICIENCY REGULATIONS. Commission consideration and possible adoption of some or all of the items covered in Docket No. 02-APPL-01 - Emergency Rulemaking on Appliance Efficiency Regulations.

This item was moved to the February 5, 2003 Business Meeting.

7. 2002/2003 BUDGET BILL REVIEWED. During the 2002-03 Budget bill review, the Legislature considered adopting fees to finance the Energy Commission's energy facilities siting program. The Legislature directed the Energy Commission to prepare a report on alternative fee structures for imposing fees on developers seeking approval for power plants and related facilities and for ongoing costs associated with the compliance monitoring program. This item is to brief the Commission on the staff's findings and recommendation in response to the directive and to seek approval to forward the report to the chairs of the specified legislative committees.

Commissioner Geesman moved and Commissioner Boyd seconded approval of the 2002-03 Budget bill review and for the Legislature directed report prepared by Energy Commission on the consideration of adopting fees to finance the Energy Commission's Energy Facilities Siting Program. The vote was 3-1 with Acting Chairman Pernell voting no. (3-1)

8. Minutes

Commissioner Boyd moved and Commissioner Geesman seconded approval of Minutes from December 11, 2002 and December 18, 2002. The vote was unanimous. (4-0)

9. Commission Committee and Oversight

No reports were given.

10. Chief Counsel's Report

Chief Counsel Chamberlain reported that a group of intervenors in the Metcalf proceeding had exercised their right to seek judicial review of the Commission's decision in a number of creative ways. Several months ago the Commission authorized the Counsel's office to intervene in a case that the Metcalf group had brought against the Bay Area Quality Management District. Chief Counsel stated he was happy to report that Dick Ratliff of his office has been successful in getting a general demurer sustained without leave to amend and now the Metcalf group will have to take their issue to the Court of Appeal.

Chief Counsel Chamberlain also requested a short closed session on a litigation matter.

11. Executive Director's Report

Bob Therkelsen sat in for Executive Director Steve Larson, who had been called away to a meeting in San Francisco and would be in later. Mr. Therkelsen noted for the record that former Commissioner Mussetter stated that he thought the staff made on average, about \$100,000 in terms of salaries and benefits; however, in reality that figure is only around \$75,000. Mr. Therkelsen stated that he wished the larger figure was correct because staff worked hard and really deserved more than what they get.

Mr. Therkelsen also added that there was one other item to discuss in closed session regarding a legal matter, so there would be two items, not one.

12. Public Adviser's Report

No report was given.

13. Public Comment

No report was given.

The meeting was adjourned at 11 a.m.

BETTY A. McCANN
Secretary to the Commission